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FISCAL IMPACT REPORT

SPONSOR Stell DATE TYPED 2/3/04 HB 77/aHENRC

SHORT TITLE NM Tech Statewide Aquifer Mapping Project SB _____

ANALYST Maloy

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$620.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates Senate Bill 123

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Institute of Mining and Technology
Office of the State Engineer

SUMMARY

HENRC Amendment

The House Energy and Natural Resources Committee amendment to House Bill 77 provides a committee consisting of the State Engineer, Secretary of the Environment Department, and the New Mexico Bureau of Geology and Mineral Resources, or their designees, be formed to set the priorities for the aquifer mapping projects.

Synopsis of Original Bill

House Bill 77 appropriates \$620,000 from the general fund to New Mexico Institute of Mining and Technology for the purpose of statewide aquifer mapping. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the general fund.

Significant Issues

This is a necessary project, vital to New Mexico's success in addressing the drought. The Office

of the State Engineer has not accomplished statewide aquifer mapping. The New Mexico Institute of Mining and Technology has the expertise and equipment needed to accomplish this mapping.

The State Engineer reports the state's ability to administer and manage its water resources is dependent upon the characterization of its aquifers and their interconnections with streams. Knowledge of the extents of zones of fresh and treatable saline ground water are vital to serving the growth of the state's water demands. To ensure that the NM Tech's Bureau of Geology (NMBGMR) will direct activities to the state's highest research priorities, a multi-agency committee should be formed to guide investigations. The bill does not specify the studies to be performed nor the process to prioritize studies. The requested level of funding is inadequate to properly address the aquifer mapping needs within the state.

FISCAL IMPLICATIONS

House Bill 77 appropriates \$620.0 from the general fund to New Mexico Institute of Mining and Technology for the purpose of statewide aquifer mapping. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the general fund.

The State Engineer reports the requested level of funding is inadequate to properly address the aquifer mapping needs within the State.

ADMINISTRATIVE IMPLICATIONS

The State Engineer reports staff time will be required to assist the NMBGMR in developing priorities. Additional funding may be required to allow work products to be fully utilized by the water resource regulatory agencies. Additional monies may be required to finalize investigations or to address uncertainties associated with the studies.

OTHER SUBSTANTIVE ISSUES

The State Engineer reports the bill does not specify the studies to be performed or describe who will set study priorities. Many local areas will claim that the source of their drinking water is of highest importance. Funds may be allocated to activities other than priority investigations. The State Water Plan states that the OSE/ISC will coordinate the creation of a multi-agency taskforce to identify, focus and prioritize studies. This avenue for setting study priorities needs to be included within the bill.

AMENDMENTS

The State Engineer suggests the following amendment:

@ line 21: insert before the last sentence "A committee consisting of the Director of the NMBGMR, the State Engineer and the Secretary of the Environment Department (or their designees) shall be formed to set priorities for the mapping project described in this bill."